

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 10/31/2007

	As of <u>10-31-07</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 793,738,358	\$ 792,761,811
INTERNATIONAL EQUITIES	324,721,617	313,679,267
DOMESTIC FIXED INCOME	570,207,920	523,514,215
INTERNATIONAL FIXED INCOME	91,433,269	83,837,842
REAL ESTATE	116,476,924	114,219,432
ALTERNATIVE INVESTMENTS	89,063,766	85,207,940
INVESTED CASH (NOTE 1)	<u>19,379,174</u>	<u>19,621,766</u>
 TOTAL INVESTMENTS	 2,005,021,028	 1,932,842,273
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,188,564	4,507,629
MISCELLANEOUS RECEIVABLE	<u>2,392</u>	<u>2,247</u>
 TOTAL RECEIVABLES	 4,190,956	 4,509,876
OTHER ASSETS		
OPERATING CASH	<u>41,179</u>	<u>51,851</u>
 TOTAL ASSETS	 <u>\$ 2,009,253,163</u>	 <u>\$ 1,937,404,000</u>
LIABILITIES:		
ACCOUNTS PAYABLE	4,890	10,047
ACCRUED EXPENSES	20,512	20,042
INVESTMENT EXPENSE PAYABLE	<u>3,138,184</u>	<u>3,139,743</u>
 TOTAL LIABILITIES	 3,163,586	 3,169,832
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,934,234,168	1,634,909,225
CASH IN DURING YEAR (NOTE 3)	3,208,999	0
CASH OUT DURING YEAR (NOTE 4)	7,500,000	20,410,000
NET INCREASE (DECREASE)	<u>76,146,410</u>	<u>319,734,943</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>2,006,089,577</u>	 <u>1,934,234,168</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 2,009,253,163</u>	 <u>\$ 1,937,404,000</u>

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State Investment Board Profit and Loss Statement For the Month Ended 10/31/2007

	Month Ended <u>10-31-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,267,251	\$ 15,009,817
SECURITIES LENDING INCOME	<u>248,207</u>	<u>2,501,257</u>
	3,515,458	17,511,074
 GAIN ON SALE OF INVESTMENTS	 25,216,549	 80,337,083
LOSS ON SALE OF INVESTMENTS	<u>10,479,372</u>	<u>48,139,927</u>
 NET GAINS (LOSSES) INVESTMENTS	 14,737,177	 32,197,156
 INVESTMENT EXPENSES	 844,685	 3,738,177
SECURITIES LENDING EXPENSES	232,326	2,371,484
 NET INVESTMENT INCOME	 17,175,624	 43,598,569
 NET APPREC (DEPREC) MARKET VALUE	 29,190,295	 33,058,543
MISCELLANEOUS INCOME/(EXPENSE)	<u>(492,778)</u>	<u>(453,846)</u>
 TOTAL INVESTMENT INCOME	 <u>45,873,141</u>	 <u>76,203,266</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	15,864	56,856
 NET INCREASE (DECREASE)	 <u>\$ 45,857,277</u>	 <u>\$ 76,146,410</u>

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Notes To Financial Statements
October 31, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.